

GAS FLARING

June 9, 2021

Company	Wells Flaring over 100	Wells Flaring over 100 w/o Exception	Current Exceptions (over 100)	Exception Requests	Wells over 100 Hooked to Pipeline
Continental	2	2	0	0	2
Kraken	5	5	0	5	3
Petro-Hunt	2	2	0	3	0
Totals	9	9	0	8	5

Flaring Requests

Summary

There are 9 wells flaring over 100 MCFG per day based on current production numbers.

0 of the 9 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 8 exceptions requested at this time.

Kraken – Approved 6 Months

Dagney 33-21 #3H – API #25-083-23392, 25N-59E-4

1. Flaring 662 MCF/D.
2. Completed: 1/2021.
3. Estimated gas reserves: 235 MMCF.
4. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 150-300 MCF/day is being sold through the project.
5. Amount of gas used in lease operations: 11 MCF/D.
6. Justification to flare: The well is not currently connected to pipeline. The closest sales connection point is the ORM Yellowstone Compressor Station which is near full operational capacity.

Dagney 33-21 #4H – API #25-083-23394, 25N-59E-4

1. Flaring 681 MCF/D.
2. Completed: 1/2021.
3. Estimated gas reserves: 188 MMCF.
4. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 150-300 MCF/day is being sold through the project.
5. Amount of gas used in lease operations: 11 MCF/D.
6. Justification to flare: The well is not currently connected to pipeline. The closest sales connection point is the ORM Yellowstone Compressor Station which is near full operational capacity.

Rowin 17-5 #2H – API #25-083-23397, 26N-59E-20

1. Flaring 232 MCF/D.
2. Completed: 12/2020.
3. Estimated gas reserves: 432 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 600-700 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 11 MCF/D.
7. Justification to flare: Contracted/connected with ONEOK Rockies Midstream, Kraken has had very limited success selling gas into the line due to sales line pressure.

Rowin 17-5 #3H – API #25-083-23398, 26N-59E-20

1. Flaring 214 MCF/D.
2. Completed: 12/2020.
3. Estimated gas reserves: 446 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 600-700 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 11 MCF/D.
7. Justification to flare: Contracted/connected with ONEOK Rockies Midstream, Kraken has had very limited success selling gas into the line due to sales line pressure.

Rowin 17-5 #4H – API #25-083-23397, 26N-59E-20

1. Flaring 236 MCF/D.
2. Completed: 12/2020.
3. Estimated gas reserves: 376 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 600-700 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 11 MCF/D.
7. Justification to flare: Contracted/connected with ONEOK Rockies Midstream, Kraken has had very limited success selling gas into the line due to sales line pressure.

Petro-Hunt – Approved 12 Months

Borntrager 2C-2-1 – API #25-021-21193, 19N-54E-2

1. Flaring 103 MCF/D.
2. Completed: 9/2012.
3. Proximity to market: >25 miles pipeline.
4. Estimated gas price at market: ~\$2/MCF.
5. Estimated cost of marketing the gas: ~\$3.2 million.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 7 MCF/D.
8. Justification to flare: Uneconomic to connect due to lack of infrastructure in the area.

Walter Senner 19-54 – API #25-021-21192, 19N-54E-18

1. Flaring 113 MCF/D.
2. Completed: 8/2012.
3. Proximity to market: >25 miles pipeline.
4. Estimated gas price at market: ~\$2/MCF.
5. Estimated cost of marketing the gas: ~\$3.2 million.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 7 MCF/D.
8. Justification to flare: Uneconomic to connect due to lack of infrastructure in the area.

Boje Farms 19-54 – API #25-021-21184, 19N-54E-17

1. Flaring 115 MCF/D.
2. Completed: 2/2011.
3. Proximity to market: >25 miles pipeline.
4. Estimated gas price at market: ~\$2/MCF.
5. Estimated cost of marketing the gas: ~\$3.2 million.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 7 MCF/D.
8. Justification to flare: Uneconomic to connect due to lack of infrastructure in the area